

BEFORE THE  
TENNESSEE STATE BOARD OF EQUALIZATION

In Re:

Joe Richard Veluzat, Jr.  
Map 117-04-0, Parcel 415  
Residential Property  
Tax year 2005

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Davidson County

INITIAL DECISION AND ORDER

Statement of the Case

The Metropolitan Board of Equalization (“county board”) has valued the subject property for tax purposes as follows:

LAND VALUE	IMPROVEMENT VALUE	TOTAL VALUE	ASSESSMENT
\$60,200	\$263,900	\$324,100	\$81,025

The property owner has filed an appeal with the State Board of Equalization (“State Board”).

The undersigned administrative judge conducted a hearing of this matter on May 18, 2006 in Nashville. The appellant, Joe Richard Veluzat, Jr., represented himself at the hearing. Staff appraiser Jason Poling appeared on behalf of the Davidson County Assessor of Property.

Findings of Fact and Conclusions of Law

The 0.21-acre parcel in question is located at 1907 Wildwood Avenue, in the Belmont-Hillsboro area of Nashville. In 1999, a three-bedroom, three-bath dwelling was built on this irregular-shaped lot. The structure was designed to conform to the appearance of the predominantly older houses in the neighborhood. The appellant purchased the subject property (as improved) in August, 1999 for \$288,500.

At the hearing, Mr. Veluzat identified some disadvantages of this particular location – such as the unusual configuration of the lot; a drainage problem; lack of sidewalks; and the presence of several unkempt rental properties on the street. In hindsight, the appellant lamented, he had probably paid too much for the subject property. In his opinion, it was only worth about \$300,000 on the January 1, 2005 reappraisal date. Mr. Veluzat cited the recent (2004) sales of 1909 and 1911 Wildwood Avenue for \$199,000 and \$227,000, respectively.

Tenn. Code Ann. section 67-5-601(a) provides (in relevant part) that “[t]he value of all property shall be ascertained from the evidence of its sound, intrinsic and immediate value, for purposes of sale between a willing seller and a willing buyer without consideration of speculative values....”

Since the taxpayer seeks to change the present valuation of the subject property, he has the burden of proof in this administrative proceeding. State Board Rule 0600-1-.11(1).

Accurate appraisal of the appellant's residence is admittedly problematic because it is considerably newer than most of the detached homes in the Belmont-Hillsboro neighborhood.<sup>1</sup> Yet, respectfully, the administrative judge is not persuaded that the value determined by the county board was excessive. To be sure, the negative features described by the appellant might well discourage some prospective buyers of the subject property. From the evidence of record, however, it cannot reasonably be inferred that the current appraisal fails to take those factors into account.

To his credit, Mr. Veluzat did discover two sales of homes on the same block of Wildwood Avenue that occurred during the relevant time period. But without additional information concerning the age, size, and other characteristics of those properties, the unadjusted sale prices cannot be deemed reliable indicators of the market value of the property in question. Further, while the appellant's *lot* may be somewhat less desirable than other home sites in the immediate vicinity, the proof does not establish that the subject property as a whole has been overvalued.

Order

It is, therefore, ORDERED that the following values be adopted for tax year 2005:

LAND VALUE	IMPROVEMENT VALUE	TOTAL VALUE	ASSESSMENT
\$60,200	\$263,900	\$324,100	\$81,025

Pursuant to the Uniform Administrative Procedures Act, Tenn. Code Ann. §§ 4-5-301—325, Tenn. Code Ann. § 67-5-1501, and the Rules of Contested Case Procedure of the State Board of Equalization, the parties are advised of the following remedies:

1. A party may appeal this decision and order to the Assessment Appeals Commission pursuant to Tenn. Code Ann. § 67-5-1501 and Rule 0600-1-.12 of the Contested Case Procedures of the State Board of Equalization. Tennessee Code Annotated § 67-5-1501(c) provides that an appeal **“must be filed within thirty (30) days from the date the initial decision is sent.”** Rule 0600-1-.12 of the Contested Case Procedures of the State Board of Equalization provides that the appeal be filed with the Executive Secretary of the State Board and that the appeal **“identify the allegedly erroneous finding(s) of fact and/or conclusion(s) of law in the initial order”**; or
2. A party may petition for reconsideration of this decision and order pursuant to Tenn. Code Ann. § 4-5-317 within fifteen (15) days of the entry of the order. The petition for reconsideration must state the specific grounds upon which relief is requested. The filing of a petition for reconsideration is not a prerequisite for seeking administrative or judicial review.

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<sup>1</sup>The cost approach to value is generally suitable for newer properties; however, neither party resorted to on that appraisal methodology in this instance.

This order does not become final until an official certificate is issued by the Assessment Appeals Commission. Official certificates are normally issued seventy-five (75) days after the entry of the initial decision and order if no party has appealed.

ENTERED this 9<sup>th</sup> day of June, 2006.

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PETE LOESCH  
ADMINISTRATIVE JUDGE  
TENNESSEE DEPARTMENT OF STATE  
ADMINISTRATIVE PROCEDURES DIVISION

cc: Joe Richard Veluzat, Jr.  
Jo Ann North, Davidson County Assessor of Property

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